

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1120 be amended to read as follows:

- 1 Page 3, between lines 24 and 25, begin a new paragraph and insert:
- 2 "SECTION 5. IC 6-6-9.5 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2005]:
- 5 **Chapter 9.5. Vanderburgh County Supplemental Auto Rental**
- 6 **Excise Tax**
- 7 **Sec. 1. This chapter applies to Vanderburgh County.**
- 8 **Sec. 2. As used in this chapter, "department" refers to the**
- 9 **department of state revenue.**
- 10 **Sec. 3. As used in this chapter, "gross retail income" has the**
- 11 **meaning set forth in IC 6-2.5-1-5.**
- 12 **Sec. 4. As used in this chapter, "passenger motor vehicle" has**
- 13 **the meaning set forth in IC 9-13-2-123(a).**
- 14 **Sec. 5. As used in this chapter, "person" has the meaning set**
- 15 **forth in IC 6-2.5-1-3.**
- 16 **Sec. 6. As used in this chapter, "retail merchant" has the**
- 17 **meaning set forth in IC 6-2.5-1-8.**
- 18 **Sec. 7. (a) The legislative body of the most populous city in the**
- 19 **county may adopt an ordinance to impose an excise tax, known as**
- 20 **the county supplemental auto rental excise tax, upon the rental of**
- 21 **passenger motor vehicles in the county for periods of less than**
- 22 **thirty (30) days. The ordinance must specify that the tax expires**
- 23 **December 31, 2036.**
- 24 **(b) The county supplemental auto rental excise tax that may be**
- 25 **imposed on the rental of a passenger motor vehicle is two percent**
- 26 **(2%) of the gross retail income received by the retail merchant for**
- 27 **the rental.**
- 28 **(c) If the city legislative body adopts an ordinance under**
- 29 **subsection (a), the city legislative body shall immediately send a**
- 30 **certified copy of the ordinance to the commissioner of the**
- 31 **department.**
- 32 **(d) If the city legislative body adopts an ordinance under**

1 subsection (a) before June 1 of a year, the county supplemental
2 auto rental excise tax applies to auto rentals after June 30 of the
3 year in which the ordinance is adopted. If the city legislative body
4 adopts an ordinance under subsection (a) on or after June 1 of a
5 year, the county supplemental auto rental excise tax applies to auto
6 rentals after the last day of the month in which the ordinance is
7 adopted.

8 Sec. 8. (a) The rental of a passenger motor vehicle by a funeral
9 director licensed under IC 25-15 is exempt from the county
10 supplemental auto rental excise tax if the rental is part of the
11 services provided by the funeral director for a funeral.

12 (b) The temporary rental of a passenger motor vehicle is
13 exempt from the county supplemental auto rental excise tax if the
14 rental is:

15 (1) made or reimbursed under a contract or agreement:

16 (A) between a provider and person;

17 (B) given for consideration over and above the lease or
18 purchase price of a motor vehicle; and

19 (C) that undertakes to perform or provide repair or
20 replacement service, or indemnification for that service,
21 for the operational or structural failure of a motor
22 vehicle due to a defect in materials or skill of work or
23 normal wear and tear;

24 (2) made or reimbursed under a contract for mechanical
25 breakdown insurance;

26 (3) made or reimbursed under a contract for automobile
27 collision insurance or automobile comprehensive insurance
28 that covers the temporary lease of a vehicle to the person
29 after the person's vehicle is damaged or destroyed in a
30 collision; or

31 (4) otherwise provided to a person as a replacement vehicle:

32 (A) while the person's vehicle is repaired or serviced due
33 to a defect in materials or skill of work, normal wear
34 and tear, or other damage; or

35 (B) until the person permanently replaces a vehicle that
36 has been destroyed.

37 Sec. 9. A person that rents a passenger motor vehicle is liable
38 for the county supplemental auto rental excise tax. The person shall
39 pay the tax to the retail merchant as a separate amount added to
40 the consideration for the rental. The retail merchant shall collect
41 the tax as an agent for the state.

42 Sec. 10. (a) Except as otherwise provided in this section, the
43 county supplemental auto rental excise tax shall be imposed, paid,
44 and collected in the same manner that the state gross retail tax is
45 imposed, paid, and collected under IC 6-2.5.

46 (b) Each retail merchant filing a return for the county
47 supplemental auto rental excise tax shall indicate in the return:

48 (1) all locations in the county where the retail merchant
49 collected county supplemental auto rental excise taxes; and

50 (2) the amount of county supplemental auto rental excise
51 taxes collected at each location.

1 (c) The return to be filed for the payment of the county
2 supplemental auto rental excise tax may be:

3 (1) a separate return;

4 (2) combined with the return filed for the payment of the
5 auto rental excise tax under IC 6-6-9; or

6 (3) combined with the return filed for the payment of the
7 state gross retail tax;

8 as prescribed by the department.

9 Sec. 11. The amounts received from the tax imposed under this
10 chapter shall be paid monthly by the treasurer of state to the fiscal
11 officer of the most populous city in the county upon warrants
12 issued by the auditor of state.

13 Sec. 12. If a tax is imposed under section 7 of this chapter, the
14 fiscal officer of the most populous city in the county shall deposit all
15 amounts received under this chapter in the tourism capital
16 improvement fund established under IC 6-9-2.5-7.5 to be used only
17 for the purposes of the tourism capital improvement fund.

18 Sec. 13. This chapter expires January 1, 2036."

19 Renumber all SECTIONS consecutively.

(Reference is to HB 1120 as reprinted February 1, 2005.)

Senator SERVER